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Policy & Procedure : Charity Care

POLICY:

Clallam County Public Hospital District No.1 is committed to the provision of medically necessary healthcare services to community members and those in emergent medical need. Charity care is provided only when care is deemed medically necessary and after patients have been found to meet all financial criteria. Clallam County Public Hospital District No.1 offers both free care and discounted care, depending on individuals' family size and income. Consideration for financial assistance will be given equally to all qualifying individuals, regardless of race, color, gender, religion, age, national origin, veteran's status, marital status, sexual orientation, disability, immigration status or other legally protected status. Patients seeking assistance may first be asked to apply for other external programs (such as Medicaid) as appropriate before eligibility under this policy is determined. Individuals known to be eligible for financial assistance based on documented income and family size information included in this policy shall not be charged more than the amounts generally billed to individuals who have insurance. To maintain compliance with WAC 246-453-020, charity care must be the payer of last resort. It is Clallam County Public Hospital District No. 1 responsibility, through coordination and collaboration with the applicant, to make every reasonable effort to determine the existence or nonexistence of third party sponsorship that would be applicable for the services provided.

PURPOSE:

The purpose of this policy is to outline the circumstances under which charity care may be provided to qualifying low income patients for medically necessary healthcare services provided by Clallam County Public Hospital District No. 1. Clallam County Public Hospital District No.1 is committed to providing financial assistance to uninsured and underinsured individuals who are in need of emergency or medically necessary treatment and have a household income below 300% of the Federal Poverty Level Guidelines (FPL). In accordance with the Patient Protection and Affordable Care Act (PPACA) and section 501(r) of the Internal Revenue Service code, all financial assistance eligible patients will not be charged more for emergency or medically necessary care than the amount generally billed to insured patients.

DEFINITION:

The following terms are meant to be interpreted as follows within the policy:

1. Financial Assistance/Charity Care: Charity Care and/or Financial Assistance means medically necessary hospital health care rendered to indigent persons when third-party coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy.
2. Indigent Persons: those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 300% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third party payer.
3. Medically Necessary: Hospital services or care rendered to a patient, both inpatient and outpatient, in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause

suffering or pain, cause physical deformity of malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity per WAC 246-453-010(7).

4. Emergency care or emergency services: services provided for care related to an emergency medical or mental condition, pursuant to WAC 246-453-010(11).
5. Emergency Medical Condition: per WAC 246-453-020(13), a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in:
 - a. Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy.
 - b. Serious impairment of bodily functions.
 - c. Serious dysfunction of any bodily organ or part.
 - d. With respect to a pregnant woman who is having contractions the term shall mean:
 - i. That there is inadequate time to effect a safe transfer to another hospital before delivery; or
 - ii. That transfer may pose a threat to the health or safety of the woman or the unborn child.
6. Family: per WAC 246-453-010 (18) as a group of two or more persons related by birth, marriage or adoption that live together; all such related persons are considered as members of one family.
7. Uninsured: Patients with no insurance or third-party assistance to help resolve their financial liability to healthcare providers.
8. Underinsured: Patients who have limited healthcare coverage, or coverage that leaves the patient with an out-of-pocket liability, which exceeds their financial ability.
9. Catastrophic Care Assistance: Financial assistance given to patients whose medical expenses exceed one-fourth of their total annual household income.
10. Application Period: Begins on the date healthcare services are provided and ends on the date that an account has been legally suited/garnished per legal judgement.
11. Income: Total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual. WAC 246-453-010(17)
12. Third-Party Coverage: an obligation on the part of an insurance company, health care services contractor, health maintenance organization, group health plan, government program (Medicare, Medicaid or medical assistance programs, workers compensation, veteran benefits), tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec.5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others (for example, auto accidents or personal injuries) which have resulted in the medical condition for which the patient has received hospital health care services.

PROCEDURE:

1. ELIGIBILITY REQUIREMENTS:

- a. To be eligible for charity care, a person may be deemed to have undue financial hardships, considering income, resources and obligations as determined by the hospital that make them unable to pay for all or a portion of their medical care. Charity care shall be applied to those charges that are not covered by public or private sponsorship in accordance with WAC 246-453-020(4). Such consideration will include a review of gross income, family size, current or potential employment status. The following documents shall be considered sufficient evidence upon which to base the final determination of charity care:
 - i. Pay stubs with the year to date totals.
 - ii. Income tax return from the most recently filed calendar year or verification of non-filing.

- iii. Forms approving or denying eligibility for Medicaid and or state funded medical assistance.
- iv. Forms approving or denying unemployment compensation.
- v. Written statements from employers or welfare agencies.
- vi. Last three months of checking and saving bank statements.
- vii. Letter of support from the individuals providing for basic needs

2. CRITERIA FOR EVALUATION:

- a. Any unusual circumstances or special hardships, including catastrophic hospitalization costs, will be considered and constitute justification for extending charity care to patients who do not meet all of the additional criteria. Administration has the discretion to bypass the charity care application process for those patients who cannot complete the application process or provide documentation supporting their application for charity care, in compliance with WAC 246-453-030(4).
- b. Patients will be provided with applications for charity care upon request or review. Any and all other benefits will be assessed to determine eligibility for charity care . Those who meet the criteria mentioned above will be considered for full or partial charity care eligibility. Patients with documented income under 100% of Federal Poverty Level (FPL) will receive a full discount. A sliding payment schedule, based on the Federal Poverty Guidelines (between 100% and 300% of FPL), is used as a guide to determine the amount for which a family is responsible, with added consideration for any special circumstances. The sliding fee schedule applies only to those charges that are not covered by any public or private sponsorship in accordance with WAC 246-453-050(1)(a). The patient will receive written notice that will include the level of discount allowed and the expiration date. If the outstanding balance is not paid, the hospital reserves the right to assign unpaid balances to an outside collection agency.
- c. Any responsible party who has been initially determined to meet the criteria identified within WAC 246-453-040 shall be provided with at least fourteen calendar days or such time as the person's medical condition may require, or such time as may reasonably be necessary to secure and to present documentation as described within WAC 246-453-030 prior to receiving a final determination of sponsorship status. Clallam County Public Hospital District No. 1 shall make a determination within fourteen (14) days after receipt of the application. If the charity care application is denied, the written notice will include a reason for denial, payment terms and instructions for the appeal process. The patient may appeal the decision by providing additional proof of income or family size within 30 days. The patient will receive a written notice of the final decision. In making a determination, the applicant may be required to provide the hospital with additional documentation of items on the application. Failure to provide such documentation may result in denial of the application.
- d. If Clallam County Public Hospital District No. 1 has initiated collection activities and discovers an appeal has been filed, they shall cease collection efforts until the appeal is finalized. In the event that a responsible party pays a portion or all of the charges related to appropriate medical service, and is subsequently found to have met the charity care criteria at the time that services were provided, any payments in excess of the amount determined to be appropriate in accordance with WAC 246-453-040(9) (b) shall be refunded to the patient within 30 days of achieving the charity care designation.

3. PUBLIC NOTIFICATION:

- a. Notice shall be publicly available in accordance of WAC 246-453-020(2) that charges for services provided to those persons meeting the criteria established within WAC 246-453-040 may be waived or reduced. Clallam County Public Hospital District No. 1 displays signage and information about its Charity Care Program at appropriate access areas. This includes applications which are provided without charge.

4. CHARITY CARE PERCENTAGE SLIDING FEE SCHEDULE:

- a. The full amount of charges will be reviewed to be charity care for any guarantor whose gross family income is at or below 100% of the current federal poverty guidelines, consistent with WAC 246-453, provided that such persons are not eligible for other private or public health coverage sponsorship RCW 70.170.060(5). In determining the applicability of the Clallam County Public Hospital District No. charity care, all resources of the family as defined by WAC 246-453-010 (17) are taken into account for guarantors with income between 101% and 300% of the federal poverty guidelines

REFERENCES:

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Collaborators:	
Approvals	
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Attachments: (REFERENCED BY THIS DOCUMENT)	WAC 246-453-020 WAC 246-453-010 WAC 246-453-040 WAC 246-453-030 WAC 246-453-020 Federal Poverty Guidelines 501 (R) IRS PPACA Affordale Care Act Charity Care Application Charity Care Application - Spanish Atencion benefica
Other Documents: (WHICH REFERENCE THIS DOCUMENT)	Patient Responsibility / Self-Pay Collection Process Atencion benefica

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<https://www.lucidoc.com/cgi/doc-gw.pl?ref=forks:11255>.